



# POLICY AND PROCEDURE

No. 03-06

## MONTGOMERY COUNTY FIRE AND RESCUE COMMISSION

EFFECTIVE DATE:

4/15/1994

TITLE

CORPORATION LEGAL EXPENSE POLICY

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### Montgomery County Fire and Rescue Commission Policy and Procedure

#### CORPORATION LEGAL EXPENSES

Issued by: Montgomery County Fire and Rescue Commission  
Policy No. 03-06

Authority: Montgomery County Code Section 21-4B(e)  
Effective Date: April 15, 1994

**SUMMARY:** The Fire and Rescue Commission supports funding either in the regular annual operating budgets of the independent fire and rescue corporations, or through the supplementary funding process, for all reasonable legal expenses associated with the publicly-funded operations of the corporations. Examples of these expenses include review of contracts between the corporation and vendors paid with tax funds, legal fees associated with preparation for the annual financial audits directed by the County, and defense costs associated with employment discrimination law suits brought by fire service personnel.


**DEADLINES:** Montgomery County Fire Board Review: April 1, 1994  
Dept. of Fire and Rescue Services Review: April 1, 1994  
Fire and Rescue Corporations Review: April 1, 1994

**ADDRESS:** Address all comments concerning the proposed policy to George Giebel, Chairman, Montgomery County Fire and Rescue Commission, 12th Floor, 101 Monroe Street, Rockville, MD 20850.

**STAFF:** For additional information, you may phone Beth Murphy, Administrative Specialist, Montgomery County Fire and Rescue Commission, on 217-2461.

**Sec. 1. Purpose:** To establish a procedure which all publicly-funded Montgomery County fire and rescue corporations must use to request and expend tax funds for legal expenses.

**Sec. 2. Applicability.** This policy applies to all publicly-funded fire and rescue corporations in Montgomery County.

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### Sec. 3. Definitions.

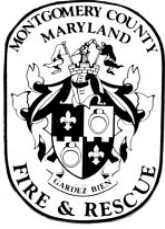
- a. **Corporation**. A fire or rescue corporation established in the County, authorized to provide fire, rescue, or emergency medical services.
- b. **Publicly-funded**. County tax funds distributed by the County Government through the Consolidated Fire Tax funds.

Sec. 4. **Policy Statement**. All **publicly-funded** fire and rescue **Corporations** in Montgomery County which incur legal expenses (whether on a recurring or non-recurring basis) such as those described in **SUMMARY** may request funding for those costs. However, County tax funds cannot be expended under any circumstances (either directly or indirectly) for legal expenses related to pursuing claims against Montgomery County Government or any of its agencies.

### Sec. 5. Procedure.

#### A. Non-FLSA Legal Expenses.

- a. **Corporations** may request funds for reasonable legal expenses such as the examples given in **SUMMARY** in their normal operating budgets. **Corporations** which do not expect to require these funds on a recurring basis should not include them in their regular budget submission.
- b. The Fire and Rescue Commission will address requests for emergency and unexpected legal expenses as necessary throughout the fiscal year. However, these requests should be submitted each year with the third quarter analysis.



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### B. FLSA Legal Expenses.

- a. The Fire and Rescue Commission will support funding, either in the regular annual operating budgets of the 15 affected **Corporations** (Bethesda FD, Burtonsville VFD, Cabin John Park VFD, Chevy Chase FD, Gaithersburg-Washington Grove FD, Hillandale VFD, Hyattstown VFD, Kensington VFD, Laytonsville District VFD, Rockville VFD, Sandy Spring VFD, Silver Spring VFD, Takoma Park VFD, Upper Montgomery County VFD, and Wheaton Rescue Squad), or through the supplementary funding process, for all reasonable legal fees deriving from the FLSA-related legal suit (Conway v. Takoma Park VFD, Inc., et. al.).
- b. Beginning with the FY 95 operating budget submission, each of the 15 named **Corporations** may request \$2500 for FLSA-related legal expenses. When this legal action is completed, those **Corporations** must return the balance of these funds to the Consolidated Fire Tax Fund account of Montgomery County Government. Additional funds may be requested during the fiscal year if adequately justified.

### C. Expenditure Reporting.

- a. The **Corporations** must submit quarterly reports of all tax-funded legal expenses, both FLSA and non-FLSA related, to the Office of Management and Budget through the Commission. The Commission will use the data provided in these reports to analyze the **Corporations'** requests for legal funds.
- b. The 15 **Corporations** participating in "Conway" must ensure that the Montgomery County Volunteer Fire-Rescue Association (MCVFRA) submits a quarterly report to the Commission detailing expenditures for that legal action. The baseline for this report must be the "Complete Audit of FLSA Account as of 4/30/93" submitted by the MCVFRA and showing a balance of \$1,503.63.



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### Sec. 6. **Enforcement.**

If a **Corporation** does not submit the required reports, the Commission will request the Finance Director to withhold from its monthly fund allocation the entire amount budgeted for legal expenses for that fiscal year.

### Sec. 7. **Effective Date.**

This policy is effective on April 15, 1994.

Attest:

George Giebel, Chairman  
Fire and Rescue Commission

Date

legalexp.pol rev 4/5/94